



Internet Vehicle Sales Working Group Charter

I. **NAME**

The name of the working group is the Internet Vehicle Sales Working Group, hereafter called the *Working Group*.

II. **PURPOSE AND ANTICIPATED DELIVERABLES**

The *Working Group* is expected to develop best practices for the regulation of Internet vehicle sales and to provide recommendations, tools, and educational materials to member jurisdictions to identify, understand and combat fraud and deceptive Internet vehicle sales practices. The *Working Group's* deliverable can be used by jurisdictions to enhance existing laws or to create new laws addressing the issues.

The *Working Group* will also address wholesale dealer licensing. The *Working Group* will identify issues and develop guidance for jurisdictions to address concerns arising from wholesale dealer licensing.

III. **BACKGROUND**

While most jurisdictions agree Internet sales offer the ability for licensed motor vehicle dealers to expand their businesses and save money previously spent on other types of advertising, a majority of states do not regulate motor vehicle Internet sales. Although the Internet may ease the buying process and expand the choices for buyers and sellers, the Internet can also be a conduit for fraudulent activity enabling those intent on cheating others to make easy money at the expense of the buying public and avoid government oversight.

As we enter the third decade of Internet vehicle sales the variety of options for purchasing a vehicle online continues to expand. On-line advertising by individual dealers and groups of dealers, on-line sales and financing, virtual auctions, and direct on-line sales by manufacturers are a few of the uses of the Internet currently available, with many more likely to come.

There is no national standard for regulating the sale of vehicles via the Internet. The lack of a standard results in each jurisdiction, either having a different set of laws for

regulating Internet vehicle sales, or no authority for regulating this emerging method of marketing.

In addition to the issues related to the growth of Internet vehicle sales, there are also issues and concerns with licensing of wholesales dealers that require attention by the *Working Group*.

IV. MEMBERSHIP

The *Working Group* will include eleven members appointed by the Chair of the sponsoring Vehicle Standing Committee, representing the following disciplines with a balance of members from all four AAMVA regions:

- Dealer licensing and/or have managerial oversight of motor vehicle dealer licensing.
- Title issuance process and/or have managerial oversight of said process.
- Legal and/or policy area expertise.
- Law enforcement officer or investigator with vehicle fraud investigation expertise.

The *Working Group* will elect a chair and vice-chair.

Industry technical advisors will be identified by the *Working Group* and will be invited to assist the working group.

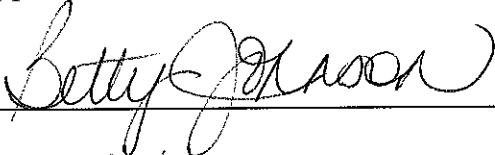
V. MEETING PROCEDURES

The *Working Group* will meet as needed by conference call and will hold up to two in-person meetings a year, for 2 years. The presence of two-thirds of the members, either in person or by teleconference, shall constitute a quorum. A majority vote of the members present shall constitute an official action on the *Working Group*.

VII. CHARTER AMENDMENTS

Any member of the *Working Group* may propose an amendment to this charter. All proposed amendments will be circulated to all *Working Group* members, and, if approved by a majority of the *Working Group*, will be forwarded to the Vehicle Standing Committee for final approval.

Approved the Vehicle Standing Committee Chair:



Date 8/4/2017